



Agenda Date: 1/20/10
Agenda Item: VD

STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.nj.gov/bpu/

WATER

IN THE MATTER OF MIDDLESEX WATER	)	ORDER FURTHER SUSPENDING
COMPANY FOR APPROVAL OF AN INCREASE	)	INCREASES, CHANGES OR
IN ITS RATES FOR WATER SERVICE AND	)	ALTERATIONS IN RATES
OTHER TARIFF CHANGES	)	FOR SERVICE
	)	
	)	BPU DOCKET NO. WR09080666
	)	OAL DOCKET NO. PUCRL 11371-2009N

Stephen B. Genzer, Esq., Saul Ewing LLP, Newark,
New Jersey for Middlesex Water Company

BY THE BOARD:

On August 17, 2009, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.11, 14:1-5.12 and 14:9-7.1 et. seq. Middlesex Water Company ("Middlesex" or "Petitioner"), a public utility of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities ("Board"), filed a petition for approval of an increase in rates for water service and other tariff changes amounting to approximately \$15.1 million or 26.0%. According to the petition, the increase in rates is proposed to become effective on October 1, 2009. Petitioner also notified the Board that it will implement the proposed rates on June 1, 2010, on an interim basis, pursuant to law, if the Board has suspended the effective date of the new rates pursuant to N.J.S.A. 48:2-21, but has not finally determined a new just and reasonable tariff schedule prior to that date.

As part of its filing, Middlesex also seeks to update the base consumption and base costs which were established in the last base rate proceeding (Docket No. WR07040275) within the meaning of the applicable Purchased Water Adjustment Clause regulations N.J.A.C. 14:9-7.1 et seq. and to establish a Distribution System Improvement Charge to recover a portion of the costs of necessary improvements in the Company's distribution system.

Middlesex services approximately 59,000 retail water customers in the Townships of Edison and Woodbridge, the Boroughs of South Plainfield, Metuchen and Carteret and the City of South Amboy in Middlesex County, the Township of Clark in Union County, and the Township of Downe in Cumberland County. On a contract basis, the Petitioner serves part of the Township of Edison, the Boroughs of Highland Park and Sayreville, the Old Bridge Municipal Utilities Authority, the Marlboro Township Municipal Utilities Authority and the City of Rahway. Middlesex also services under a special contract basis for water treatment and pumping services the Township of East Brunswick.

This matter was transmitted to the Office of Administrative Law ("OAL") for hearings on September 14, 2009. At its regularly scheduled agenda meeting on September 16, 2009, the Board suspended Middlesex's proposed rate increase until February 1, 2010. This matter is

currently before OAL Judge Walter M. Braswell and evidentiary hearings are scheduled for February 3, 4, and 5 and March 9 and 15, 2010 in Newark, NJ.

In light of the fact that this proceeding is still pending before the OAL, it is HEREBY ORDERED that:

- (1) Pursuant to N.J.S.A. 48:2-21, the proposed revisions be, and are further suspended until June 1, 2010, unless the Board prior to that date makes a determination disposing of the petition,
- (2) Petitioner shall, at least ten (10) days prior to the date set for hearing on the petition by the Office of Administrative Law, file with this Board and with the Office of Administrative Law (33 Washington Street, Newark, NJ 07102) proof of compliance with the Notice provisions of N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12 (b) and (c), which Notice shall include a statement that any relief found by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers on any rate or schedule as the Board may determine; and
- (3) Petitioner shall serve copies of this Order upon the Office of Administrative Law, the Division of Rate Counsel (31 Clinton Street, P. O. Box 46005, Newark, NJ 07102), the clerk of each affected municipality, the clerk of the Boards of Chosen Freeholders of each affected county, and where appropriate, the executive officer of each affected county within its service area. Service of the petition, notice of hearings and this Order may be made simultaneously. Proof of service of this Order shall be filed with the Board within fifteen (15) days of the date of this Order.

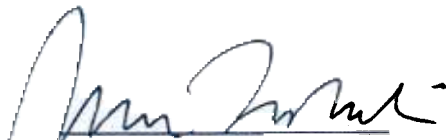
DATED: 1/21/10

BOARD OF PUBLIC UTILITIES
BY:


ELIZABETH RANDALL
ACTING PRESIDENT


FREDERICK F. BUTLER
COMMISSIONER


JEANNE M. FOX
COMMISSIONER

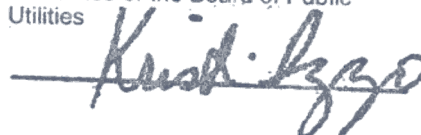

JOSEPH L. FIORDALISO
COMMISSIONER


NICHOLAS ASSELTA
COMMISSIONER

ATTEST:


CARMEN DIAZ
ACTING SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



IN THE MATTER OF MIDDLESEX WATER COMPANY FOR APPROVAL
OF AN INCREASE IN ITS RATES FOR WATER SERVICE AND
OTHER TARIFF CHANGES

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SERVICE LIST

Stephen B. Genzer, Esq.
Saul Ewing LLP
One Riverfront Plaza, 15th Floor
Newark, NJ 07102

Kenneth J. Quinn, Esq., General Counsel
Dennis Doll, President
A. Bruce O'Connor, Vice President
& Chief Financial Officer
Middlesex Water Company
1500 Ronson Road
Iselin, NJ 08830

Stefanie A. Brand, Esq., Director
Paul Flanagan, Esq.
Debra Robinson, Esq.
Susan McClure, Esq.
Christen Juarez, Esq.
Department of the Public Advocate
Division of Rate Counsel
31 Clinton Street, 11th Floor
PO Box 46005
Newark, NJ 07101

Kenneth Sheehan, DAG
Geoffrey Gersten, DAG
Caroline Vachier, DAG
Alex Moreau, DAG
Jessica Campbell, DAG
Department of Law and Public Safety
Division of Law
124 Halsey St. 5th Floor
PO Box 45029
Newark, NJ 07101

Mathew M. Weissman, Esq.
Wilentz, Goldman & Spitzer, P.A.
90 Woodbridge Center Drive
Woodbridge, NJ 07095

Anthony C. Lacocca, Esq.
Hoagland, Longo, Moran
Dunst & Doukas, LLP
40 Paterson Street
PO Box 480
New Brunswick, NJ 08903

Peter Wersinger, III, Esq.
Marboro Township Municipal Utility Authority
PO Box 280
Wickatunk, NJ 07765

L. Mason Neely, CFO
Township of East Brunswick
1 Jean Walling Civic Center Drive
PO Box 1081
East Brunswick, NJ 08816

Catherine E. Tamasik, Esq.
Glenpointe Centre West
500 Frank W. Barr Boulevard
Teaneck, NJ 07666